

The Energy Industry Revitalization Working Group Meeting Minutes

Tuesday, July 16, 2024, 11:00am-12:30pm E.T.

Meeting Location: Online via Google Video

Attendees

Members

<i>Member type</i>	<i>Name</i>	<i>Present</i>
Sen. Malcolm Augustine	Maryland Senate	
Del. Lily Qi	Maryland House of Delegates	X
Andrew Place	Maryland Department of the Environment	X
Heather Gramm	Secretary of Commerce	X (Ryan Powell)
Stephanie Kane	Old Dominion Electric Cooperative	X
Jennifer Smith-Funn	Maryland Small Business Development Center	
Nancy Sopko	US Wind	
Charles Washington	BGE	X
Sarah E. Battisti	NRG Energy	

Participants: Allison Brown, John Gloninger, Kathryn Hastings, Jamie Lopp, Jared Deluccia, Ryan Powell, Stephanie Vo, Bhavika Buddi, Kirk Johnson, Rory Murray, Diamond Wade, Hannah Allen

Introduction

- Andrew Place: Welcome, Stephanie Vo: Roll Call, Cindy Osorto: Agenda
- MCCC Updates on video playlist, ongoing discussions, and next steps
- The charge of the EIRWG is to make recommendations that maximize opportunities and minimize impacts to Maryland small businesses that arise with decarbonization efforts.
- Just Transition Working Group (JTWG) - 6 Guiding Principles (see slides)
- Purpose of Today's Discussion: Gather feedback from EIRWG members and participants to better understand the top priorities on how to support decarbonization efforts for small businesses throughout the state. This will help shape draft recommendations.
 - Informed by survey responses, which identified general opportunities, challenges, best practices, and more.

EIRWG Discussion

Shovel-Ready Examples

- Ryan Powell: Communication and letting businesses know what regulation is coming and when. Let them know so they can plan and make financial/business decisions, etc.
- Charles Washington: We should consider that shifts will be incentivized or mandated, this can change the way small businesses will be supported, especially capital investments. All at the same time vs. a phased approach?
- Vo: The communication point touches on opportunities mentioned in the survey, how do we operationalize that? Are there examples in Maryland?
- Washington: Thinking about not only the workforce at the end, but the workforce to implement these changes- what do we need to do in mandates and incentives to ensure the workforce is available? A challenge and an opportunity in the state.
- Delegate Lily Qi: In response to Ryan's point on communication – there are existing mechanisms for communication (think Comptroller, etc., and connection to businesses and public utilities). Communication shouldn't be a challenge for predictability. Can be a combination of incentives and expectation of mandate.
- Powell: Commerce has some existing outreach programs- but is not sure if that will reach everyone. I imagine the Comptroller is connected with all businesses.
- Qi: Maryland's State Department of Assessments and Taxation ([SDAT](#)) is responsible for MD businesses in good standing. We have a good list to start from. In general, it should not be difficult if we know what to communicate.

Draft Recommendation: Background and further comment/discussion

- How do we support small businesses in this transition, including in EV infrastructure?
- Osorto: Pilot Program for sustainable economic growth for best practices in convenience stores related to healthy and affordable food, can identify benefits to small businesses, consumers, economic and social welfare
- Osorto: EV drivers need to wait at least 15 minutes to charge their vehicles, which presents an opportunity for increased convenience sales.
- Qi: Building off of this- (1) do we have a list of some private stores that are ready to go with this? (2) are we willing to expand beyond 7/11 to dollar stores? I represent a district with food deserts and farmers.
- Place: One side is reducing vehicle miles traveled (VMT) and the core obligation is to think of supporting small businesses in the energy transition. The other side is that if we are providing an improved business climate, we can reduce imports from out of state, which provides energy savings in that importation aspect as well.
- Washington: I understand the value, but what is the relationship to the energy transition impact? At this point, due to the number of chargers approved, not sure if we have much more upcoming. There is exciting legislation like the DRIVE Act to be more creative residentially, as well as ongoing efforts.

- Powell: In the city (e.g. Baltimore), people are walking anyways- this is worthwhile, but it is tangentially related to energy.
- Osorto: Electrification efforts include EVs, more changes are coming due to state and federal policy, such as Clean Cars and Clean Trucks or the National Electric Vehicle Infrastructure (NEVI) Formula Program. We are talking about massive investments into the grid with reliability, resiliency, and clean transportation in mind. This conversation is focused on small businesses amidst all of these changes, with accessibility in mind.
- Washington: We are slowly phasing out of the current gas station model and implementing more EV charging stations. As an individual consumer, I almost always get something to eat while charging EV, and this would impact where I choose where to charge during a trip. This would add value to people looking for healthier food.
- Powell: Incentivizing charging stations would be highly valuable- all that money is from convenience stores and not the gas. The transition to charging stations makes a lot of sense. Also should talk to these businesses to confirm this makes sense to them.
- Qi: There are associations representing those businesses to discuss with them.
- Place: If power is more expensive for farmers, it can improve their business climate and avoid leakage.
- Qi: Poolesville is a food desert- their Dollar General is a high grossing business in the country because there is nowhere else for produce.
- Powell: Second- Dollar General is a main source for groceries in the community.
- Qi: Recommends outreach to Maryland Retailers Association (MRA).
- Washington: MAPDA represents gas stations, which are the retailers transitioning
- Osorto: We are going to draft edits based on feedback. We are making a final call for any draft language by the 31st so we have time to incorporate feedback for the next meeting.
- Qi: Whatever we come up with should be industry driven, based on active partners.
- Osorto: I can report to the group on what MRA and MAPDA says for the next meeting.
- Washington: Question for Delegate Qi: The biotech sector comes to mind- huge energy users, but they don't always pay attention to energy policy.
- Qi: Maryland Tech Council represents bio and tech industries. Also healthcare and hospital leaders, real estate industry, office parks, restaurants, there is such rapid change post-pandemic for voices for the recommendations.
- Washington: The approach of the Associations can help identify players.
- Stephanie Kane: Will we be able to review the results of the study?
- Vo: These will be preliminary results presented during our next meeting.
- Kane: For drafting recommendations, having data can inform recommendations.
- Powell: When would the final report be in?
- Vo: Approximate date is November 15 for the end product of the report. This will include the number of small businesses impacted, the economic impact, and facility closures. The individual players aren't really taken into account qualitatively, more quantitatively through Census Bureau and other sources to estimate the economic impact on small businesses. It can be considered on the small business side to talk about their processes and closures.

- Qi: Giving policymakers only data, it will look abstract. A good study should report both quantitative and qualitative, including case studies and would speak to them as a story.
- Vo: We hope to integrate interviews to give context as case studies. Industry classification will be considered.
- Powell: The recommendations should be backed by data, but those personal stories are key for understanding. Local businesses (HVAC) can develop local programs for decarbonization. Recommendations should be broad for consideration of scale.
- Qi: Dry cleaners are also an example- retailers that use a lot of energy, can benefit from lower operation costs. EmPOWER is a game changer potentially for small businesses- energy efficiency, cost reduction, reduction of overall footprint. There is also now a designated Green Bank in Maryland. They are turning ideas into opportunities- could be an opportunity for this working group.
- Kane: Maybe a recommendation should be the cost of retrofitting. Question on facility closures- if that is part of the study, that could impact local communities.
- Vo: For this study, this considers plant feasibility considering closure, and equity considerations. Retiring is an option, closure can mean a lot of options.
- Kane: The economic impacts should be included in the study report to tell a story.

Public Comment

- No public comment.